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FM AMEMBASSY OTTAWA
TO RUEHC/SECSTATE WASHDC PRIORITY 5488
INFO RUCNCAN/ALL CANADIAN POSTS COLLECTIVE PRIORITY
RUEAHL/DEPT OF HOMELAND SECURITY WASHDC PRIORITY
RUEAWJA/DEPT OF JUSTICE WASHDC PRIORITY
RHMCSUU/FBI WASHINGTON DC PRIORITY
RUEATRS/DEPT OF TREASURY WASH DC PRIORITY

UNCLAS OTTAWA 000753

SIPDIS

SENSITIVE
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STATE FOR WHA/CAN, EEB/ESC/TFS CANNON, S/CT HILL AND GALER

E.O. 12958: N/A

TAGS: [EFIN](#) [ETTC](#) [KTFN](#) [LE](#) [PREL](#) [PTER](#) [CA](#)

SUBJECT: CANADA'S PROVISIONS AGAINST CASH COURIERS

REF: STATE 16120

¶1. (SBU) Although econoff delivered the points in reftel to an official from Finance Canada in February, that official had no comment but offered to set up a meeting for the Embassy with Canadian officials who are better acquainted with the problems of illicit cash couriers. To that end, the EconMinCouns and other embassy officers met with representatives of Finance Canada and the Canada Border Services Agency on April 13.

¶2. (SBU) Vincent Jalbert, Senior Project Leader, Financial Crimes Division, Department of Finance, explained that Canada's legislative framework for dealing with illicit cash couriers and other potential methods for financing terrorist and criminal activity is based on Financial Action Task Force (FATF) standards for monitoring, reporting, and record keeping. Jalbert explained that travelers crossing the Canadian border are required to declare whether they have more than 10,000 Canadian Dollars in cash or other bearer negotiable assets. Any unreported assets can be seized. Jalbert said that this is a fairly successful program. He explained that Canada has successfully prosecuted three out of four offenders under the customs act.

¶3. (SBU) Jalbert explained that structuring deposits to a financial institution in such a way as to avoid make a 10,000 dollar deposit that would require reporting, is not against the law. He also said that while Canada's Financial Intelligence Unit Fintrac shares information with Fincen in the United States, the sharing of information is not always automatic -- in some cases, the information needs to be specifically requested by Fincen. Furthermore, any information needs to meet specific legal requirements before it can be shared. (Note: Embassy officers will meet with Fintrac officials to learn more about these requirements. End note.)

¶4. (SBU) When asked about potential future problems, Jalbert theorized that stored-value cards could become a problem, although he was not aware of any current or past cases involving these cards.

¶5. (SBU) Meeting participants:

Canadian Side:

Malcolm Wakefield - Senior Economist, Financial Sector Division, Department of Finance

Vincent Jalbert - Senior Project Leader, Financial Crimes Division, Department of Finance

Rick Fehr - A/Manager, Borders Enforcement Division, Canada Border Services Agency

Nathalie Gervais - Senior Program Officer, Contrabands

Program, Canada Border Services Agency

U.S. Side:

Brian Mohler - Economic Minister Counselor

John Considine - Department of Homeland Security Customs and
Border Protection Attache

Hank Connell - Department of Homeland Security Immigration
and Customs Enforcement Assistant Attache

Ryan Stoner - Economic Officer

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